

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 6491

BILL NUMBER: SB 303

NOTE PREPARED: Jan 26, 2012

BILL AMENDED: Jan 26, 2012

SUBJECT: Dental Benefits.

FIRST AUTHOR: Sen. Becker

FIRST SPONSOR:

BILL STATUS: CR Adopted - 1st House

**FUNDS AFFECTED: X GENERAL
DEDICATED
FEDERAL**

IMPACT: State

Summary of Legislation: (Amended) The bill prohibits dental insurers and health maintenance organizations from requiring dentists to accept certain payments.

Effective Date: July 1, 2012.

Explanation of State Expenditures: *Unfair and Deceptive Acts:* Under the bill, insurance providers and health maintenance organizations that violate provisions of the bill regulating dental benefits would commit an unfair and deceptive act. To the extent instances of unfair and deceptive acts are discovered and reported to the Department of Insurance (DOI), this bill will increase workload of the DOI to investigate allegations and provide adjudicative proceedings to determine if an unfair or deceptive act has been committed.

Explanation of State Revenues: If this bill increases the number of unfair and deceptive acts discovered by the Department of Insurance, revenue to the General Fund will increase from civil penalties paid by violators. The penalty for engaging in an unfair and deceptive act is one or more of the following: (1) a civil penalty between \$25,000 and \$50,000 for each act or violation and (2) revocation of a person's license or certificate of authority if they knowingly engaged in an unfair or deceptive act. Actual increases in revenue are unknown.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Department of Insurance.

Local Agencies Affected:

Information Sources:

Fiscal Analyst: Bill Brumbach, 232-9559.